



## *Report to the Auburn City Council*

Action Item <div style="font-size: 2em; margin: 0;">7</div> Agenda Item No.
City Manager Approval

**To:** Mayor and City Council Members

**From:** Bernie Schroeder, Public Works Director   
Megan Siren, Administrative Analyst

**Date:** September 13, 2010

**Subject:** Auburn Municipal Airport – East Area Hangar Project Amendment No. 6 to Consultant Agreement

### **The Issue**

Shall the City authorize an Amendment No. 6 to the Consultant Agreement with Mark Machado for East Area Hangar Project?

### **Conclusion and Recommendation**

Staff recommends, BY RESOLUTION, approve Amendment No. 6 to the consultant agreement with Mark A. Machado in the amount not to exceed \$20,000.

### **Background**

On January 26, 2009, the City Council approved Phase IV of the consultant agreement with Mark Machado. Phase IV tasks included supporting and interfacing with prospective lease holders, coordinating and support lease holders with design of hangar, assisting the city building department and planning department with submitted hangar plans, interfacing with FAA regarding the project activity and to be the City's main point of contact for the East Area Hangar Project. Since City Council approval in January 2009, there have been a total of 5 contract amendments that increased the total contract to \$89,100 and increased the length of the contract to July 31, 2010.

Staff is requesting approval of Amendment No. 6 to the consultant agreement. Amendment No. 6 includes an extension of the contract to June 30, 2011 and increase in the contract by an additional \$20,000. The current contract has expired as of July 31, 2010.

### **Alternatives Available to Council; Implications of Alternatives**

1. Proceed with Staff Recommendation
2. Do not proceed with staff recommendation
3. Take no action

### **Fiscal Impact**

Consultant Costs would come from the Airport Enterprise Fund. The cost for Amendment No. 6 is \$20,000. The consultant voluntarily reduced his fee by 10%. Funds are currently available in the Airport Fund.

Attachment: Amendment No. 6/Resolution

**AMENDMENT No. 6 TO PROFESSIONAL SERVICES AGREEMENT**  
(City of Auburn and Mark A. Machado)

This Amendment No. 6 ("Amendment") to Professional Services Agreement ("Agreement") is made on this 14<sup>th</sup> day of September 2010 at Auburn, California, by and between the City of Auburn, a municipal corporation, 1225 Lincoln Way, Auburn, California 95603 ("City") and Mark A. Machado, P.O. Box 638, Penn Valley, CA 95946 ("Contractor").

This "Amendment" modifies the original "Agreement" between the "City" and the "Contractor" dated January 26, 2009 in the following fashion:

- A. "City" and "Contractor" desire to amend the "Agreement" by modifying section 3.1 – Scope of Services as set forth in "Consultant's" September 3, 2010 proposal to "City" attached hereto as Exhibit A-1 and incorporated herein by this reference.
- B. "City" and "Contractor" desire to amend the "Agreement" by modifying section 3.2 – Approved Fee Schedule as set forth in "Consultant's" August 1, 2010 fee schedule to "City" attached hereto as Exhibit B-1 and incorporated herein by this reference.
- C. "City" and "Contractor" desire to amend the "Agreement" by modifying section 3.4 – Expiration Date of the "Agreement" to read as follows:  
  
3.3 "Expiration Date": June 30, 2011.
- D. "City" and "Contractor" desire to amend the "Agreement" by modifying the total compensation and costs payable to "Consultant" under this "Agreement" to a not-to-exceed sum of \$109,100.00.

**TO EFFECTUATE THIS AGREEMENT**, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

**“City”**  
**City of Auburn**

By: \_\_\_\_\_  
Bernie Schroeder, Director of Public  
Works

Date: \_\_\_\_\_

**“Consultant”**  
Mark A. Machado

By: \_\_\_\_\_  
Mark A. Machado, Owner

Date: \_\_\_\_\_

Attest:

By: \_\_\_\_\_  
Amy Lind, City Clerk

Date: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Michael G. Colantuono, City Attorney

Exhibit A-1

Mark Machado M.E.

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P. O. Box 638  
Penn Valley, CA. 95946  
530.432.0708 office  
530.559.5035 mobile  
[m.a.machado@comcast.net](mailto:m.a.machado@comcast.net)

Proposal

9.3.10

Bernie Schroeder  
Director of Public Works  
City of Auburn  
1225 Lincoln Way  
Auburn, CA. 95603

RE: Consulting Services – East Hangar Development Project Phase IV - Amendment No. 6-  
Extension to June 30, 2011, Auburn Municipal Airport

Dear Bernie:

Per your request, I have attempted to anticipate the needs associated with the continued growth and expansion of the above-referenced project and the cost associated with extending my contract to accomplish said work, with the City of Auburn, to June 30, 2011.

I anticipate the scope of work to include, but not necessarily limited to, the following activities:

- Continued daily oversight of construction activity for Hangar Bravo and coordination with the primary leaseholder, James A. Hanson, including Investors, as appropriate.
- Continued oversight of completed Hangar's Alpha and Charlie, as it relates to lease compliance, association formation, recoverable costs for City provided services (i.e. water usage, etc.) and assistance to hangar association officers for interface issues with the City. Continued assistance to City staff with enforcement procedures and recommendations relating to leaseholder compliance with terms of signed and endorsed East Hangar leases.
- Continued coordination with the proposed developer of Rows D, E and F on the Phase 1 site, to include lease development, assistance with utility company Interface, facilitation and support of marketing program, review and critique of proposed hangar buildings (including possible change in hangar types), determination of compatibility with adjoining structures, assistance with FAA interface, integration into common use facilities and costs associated with Phase 1 leaseholders and continuance as primary liaison between developer and City. Note: Developer's current option on property extends to December 1, 2010.

- Continued investigation and development of means and strategy for extension of sewer services through recently annexed airport property towards and on to the East Hangar project area. Coordination with adjacent non-airport property owners, as required.
- Investigation and potential development of temporary septic system and leeching areas for East End Hangars, including coordination and dialogue with all existing leaseholders relating to funding and connections to existing stubbed hangar sewer trunks.
- Exploration of options relating to use of available ground on-site to include inquiries to CHP, Placer County Sheriff and Cal Fire.
- Coordination with airport manager on development of procedures and protocols to ensure compatibility of newly functional and occupied East Hangar area with existing aircraft traffic flow and operation on the airport, including signage, "hold" lines, stripping, run-up area/east end taxiway interference mitigation, on-going debris and rock control, potential reconstruction of east end taxiway intersection with main ramp and overall safety.
- Continued development of East Hangar Area "community" association to manage common area expenses and to address issues relating to community at large. Finalize guidelines, procedures and protocols.
- Assessment of engineering and logistical efforts necessary for the eventual continuation of hangar development into the future Phase 2 area, including development of water, fire protection and electrical services. Develop draft plans/specs and associated costs. Present to City staff for review.
- Investigate and report to appropriate City staff on development options for Phase 2 area, including hangar rearrangement, hangar optimization, City owned hangars possibilities and development opportunities for public at large.
- Development of preliminary plans and specifications for motorizing existing gate on east end property, to include asphalt sensors, card reader, overhaul of existing gate hardware and extension of necessary electrical service. Generate cost estimate and initiate revenue sharing program with east end users and the City, as appropriate.

I presently see a "not-to-exceed" cost of \$20,000 as a reasonable allowance to extend my contract to the referenced time. Further, in the spirit of continuing my involvement with the City to help ensure the on-going viability of the East End project and future development in the area, I will voluntarily reduce my hourly billing rate by 10%. All other fee schedule items will remain unchanged.

If you need any further clarification, please don't hesitate to ask. It has been a pleasure working with and assisting the City of Auburn in the development of the East Area Hangar site and I look forward to continuing my involvement to further develop the available property to the fullest extent possible.

Sincerely,

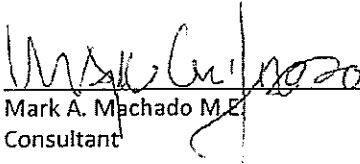
  
Mark A. Machado M.E.  
Consultant

Exhibit B-1

**Fee Schedule**

**Mark A. Machado M.E.**  
Consultant  
P.O. Box 638, Penn Valley, CA. 95946  
530-432-0708

Current as of 8.1.10:

Phase 4 - Amendment No. 6, East Area Hangar Project, Auburn Municipal Airport:

Principal -	\$72/hr
Clerical -	\$27/hr
Mileage -	\$.485/mile (only when traveling outside of the County of Placer or the County of Nevada. Point of origin: Penn Valley, CA.)
Printing/copy -	Direct cost + 15%
Postage/mailling expense -	Direct cost + 15%
Legal consultant -	Direct cost + 15%

1 RESOLUTION NO. 10-  
2 RESOLUTION AUTHORIZING AMENDMENT NO. 6 TO THE CONSULTANT  
3 AGREEMENT WITH MARK A MACHADO FOR THE EAST AREA HANGAR PROJECT  
4 -----

5 THE CITY COUNCIL OF THE CITY OF AUBURN DOES HEREBY RESOLVE:

6 That the City Council of the City of Auburn does hereby approve the  
7 Director of Public Works to execute Amendment No. 6 to the consultant  
8 contract with Mark A. Machado in an amount not to exceed \$20,000.

9 A true and correct copy of said Amendment No. 6 is attached hereto as Exhibit  
10 "A."

11 DATED: September 13, 2010

12  
13 \_\_\_\_\_  
14 Bridget Powers, Mayor

15 ATTEST:

16 \_\_\_\_\_  
17 Joseph G. R. Labrie, City Clerk

18 I, Joseph G. R. Labrie, City Clerk of the City of Auburn, hereby certify  
19 that the foregoing resolution was duly passed at a regular session meeting of  
20 the City Council of the City of Auburn held on the 13<sup>th</sup> day of September 2010  
21 by the following vote on roll call:

22 Ayes:

23 Noes:

24 Absent:

25 \_\_\_\_\_  
26 Joseph G. R. Labrie, City Clerk  
27  
28